

1 Add 2 Cal. Code Regs. Section 18536 to read:

2
3 **18536. Transfer and Attribution of Contributions.**
4

5 For purposes of Government Code section 85306:

6 (a) Campaign funds received on and after January 1, 2001, may be transferred from any
7 other committee controlled by a candidate to the candidate's controlled committee for an elective
8 state office only if all of the following apply:

9 (1) The committee transferring the funds designates in its records at the time of the
10 transfer, pursuant to subdivision (a) of Government Code section 85306, whether it elects a "first
11 in, first out" or a "last in, first out" method of accounting *for transfers*. A transferring
12 committee must make this election on a one-time basis.

13 (A) "First in, first out" means that campaign funds being transferred are attributed to the
14 transferring committee's contributors in chronological order beginning with the ~~first~~ *earliest* of
15 its contributors or, if there has been a prior transfer, beginning with the earliest contributor for
16 which unattributed contributions remain.

17 (B) "Last in, first out" means that campaign funds being transferred are attributed to the
18 transferring committee's contributors in reverse chronological order beginning with the most
19 recent of its contributors or, if there has been a prior transfer, beginning with the most recent
20 contributor for which unattributed contributions remain.

21 (2) ~~Any campaign funds transferred under Government Code section 85306~~ *Transferred*
22 *campaign funds* shall include any inventory, equipment, or other assets to be transferred to the
23 receiving committee and shall be attributed to specific contributors at the time of transfer *using*
24 *the fair market value of the asset at the time of the transfer.*

25 (3) Except as provided in subdivisions (b) and (c) of Government Code section 85306,
26 campaign funds transferred, when aggregated with all other transfers attributable to, and
27 contributions from, the same contributor, may not exceed the contribution limits of Government
28 Code section ~~85304~~ applicable to the candidate at the time of the transfer ~~or, if the contributor is~~
29 ~~a small contributor committee, the corresponding limits of Government Code section 85302.~~

30 Campaign funds attributed to a contributor who is a candidate for elective state office at the time

1 of the transfer, when aggregated with all other contributions from that contributor, may not
2 exceed the amount provided in Government Code section 85301(a).

3 (b) A candidate who transfers contributions from a controlled committee to another
4 committee controlled by the candidate shall:

5 (1) Maintain records that identify the specific contributors to whom any transferred
6 contributions have been attributed pursuant to the “last in, first out” or “first in, first out” election
7 of the transferring committee.

8 **{Decision 1—record keeping requirements—added at suggestion of FTB}**

9 *(2) For transfers being attributed to contributors for which detailed records are no*
10 *longer required for the transferring committee by Government Code section 84104, the*
11 *receiving committee shall maintain either:*

12 *(A) Such records from the transferring committee as are sufficient to confirm the*
13 *identity of the original contributors to whom transfers are being attributed; or*

14 *(B) Copies of the original verified and filed campaign reports that show the original*
15 *contribution received from each contributor to whom a transferred contribution is attributed.*

16
17 **{Decision 2—Whether to require disclosure of attributed contributors.}**

18 [(2) Disclose on the receiving committee’s campaign statement each *attributed*
19 contribution of one hundred dollars (\$100) or more transferred to the receiving committee,
20 including the following information:

21 (A) The *attributed* contributor’s name;

22 (B) The date the *attributed* contribution was received by the transferring committee;
23

24 **{Decision 3, Option a—Mandatory disclosure of address, occupation, employer & ID no.}**

25 (C) The attributed contributor’s street address;

26 (D) The attributed contributor’s occupation;

27 (E) The name of the attributed contributor’s employer, or if self-employed, the name of
28 the contributor’s business;

29 *(F) If the contributor is a recipient committee, the committee identification number.*

30 (Subparagraph (F) was added at the request of the Technical Assistance Division)
31

1 {Decision 3, Option b—Permissive disclosure of address, occupation, employer and ID no.}

2 (A) The *attributed* contributor’s name;

3 (B) Date the *attributed* contribution was received by the transferring committee;

4 (C) The following information may be disclosed, but is not required:

5 (i) The attributed contributor’s street address;

6 (ii) The attributed contributor’s occupation;

7 (iii) The name of the attributed contributor’s employer, or if self-employed, the
8 name of the contributor’s business;

9 (iv) *If the contributor is a recipient committee, the committee identification*
10 *number.*

11 (F) The total amount of contributions transferred to the receiving committee attributable
12 to the contributor.

13 (G) The cumulative amount of contributions received from the contributor including any
14 contributions to the contributor that are transferred to the receiving committee. (Deleted at the
15 suggestion of TA since this information is already required on Schedule A.)
16

17 {Decision 4—Restricting contributions concurrently raised.}

18 {Option a} [(c) A committee controlled by a candidate may not transfer to a committee
19 for elective state office of the same candidate funds received by the transferring committee on or
20 after the date the candidate has filed a statement of intention for the elective state office pursuant
21 to Government Code section 85200 except to pay campaign expenses incurred in connection
22 with a subsequent election for the same office pursuant to 85317.]

23 {Option b} [(c) Funds originally received on or after the date a candidate has filed a
24 statement of intention for an elective state office pursuant to Government Code section 85200
25 that are transferred to the elective state office committee shall be attributed using the “last in,
26 first out” method of attribution.]

1 **{Option c} [(c) Notwithstanding paragraph (1) of subdivision (a), it shall be presumed**
2 **that contributions transferred under authority of this regulation be attributed on a “last in,**
3 **first out” basis if the amount of the transfer exceeds the amount of cash on hand in the**
4 **transferring committee on the date the receiving committee qualified under Government Code**
5 **section 82013.]**

6 **{Option d} [A committee may not transfer funds under this regulation that exceed**
7 **its cash on hand on the day the receiving committee qualified under Government Code**
8 **section 82013 if contributions made to the transferring committee after that date that are**
9 **included in the transfer would have violated Section 84301 or 84302 if made directly to the**
10 **receiving committee.]**

11 (d) Transfers made prior to a primary election, when aggregated with all other transfers
12 attributable to, and contributions from, the same contributor, may include amounts that could
13 have been raised for the general election pursuant to Government Code section 85318. Transfers
14 made under this authority will comply with the requirements of Government Code section
15 85318.

16 **{Decision 5—Application of regulation to candidates for statewide office.}**

17 **Option a (proposed at last pre-notice): (e) This regulation does not apply to statewide**
18 **elective office committees until November 6, 2002.**

19 **Option b (date of election for which committee was formed determines application):**
20 **[(e) This regulation does not apply to statewide elective office committees formed [or**
21 **redesignated]/(conforms to Option b in Decision 8 of Item 7, Outstanding Debt and**
22 **Officeholder Expenses) for an election held prior to November 6, 2002.**

23 NOTE: Authority cited: Section 83112, Government Code. Reference: Sections 85200, 85305,
24 85306 and 85318, Government Code.